

ABSTRACT OF THE DISCLOSURE

The invention provides a system and method for calculating, collecting and/or disbursing one or more third party payments owed to one or more third parties resulting from one or more electronic transactions occurring over a wide area network (WAN) between a customer and a merchant. The transaction concern one or more services and/or products provided by the merchant. The system and method require that the calculation of the amount owed to the third party occur at a WAN node that is different than and at a different locale than that of the merchant. By so doing, the merchant is not required to purchase and install equipment and/or software of the third party to which a payment is due. The present system includes a merchant node, third party payment processing node, financial network, and third party payment receiving node. A consumer conducts a transaction at a merchant node. As a result of the transaction, a third party may or may not be due a payment. The third party payment processing node determines whether such payment is due, calculates the amount of the third party payment, and/or authorizes payment of the third party payment. The financial network, which includes at least the merchant's acquirer bank, the customer's credit card issuing bank and the credit card association, then handles payment of the amount(s) due to the third party, the amount(s) due to the merchant and the amount(s) owed by the customer. The system of the invention can be a fee for service type of system wherein those (the merchant or the third party) that employ the system and/or method pay a fee, for example per transaction or per amounts collected and disbursed, to the provider of the 3rd Party Fee System. The invention also provides a client logic engine based system that can work in cooperation or independently of the 3rd Party Fee System.